

**UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL DEVELOPMENT
BISMARCK, ND 58502**

June 18, 2002

SUBJECT: Determination of Property Abandonment

TO: All Rural Development Field Offices in North Dakota

PURPOSE/INTENDED OUTCOME:

The purpose of this North Dakota Administrative Notice (AN) is to provide guidance in determining when a property is abandoned.

COMPARISON WITH PREVIOUS AN:

This AN replaces ND AN No. 1343(HB-1-3550) dated May 10, 2001.

IMPLEMENTATION/RESPONSIBILITIES:

Effective immediately, all Rural Development employees who make a determination of property abandonment are required to follow the procedure outlined in this AN.

When Rural Housing Service (RHS) becomes aware that a Single Family Housing borrower no longer resides at their property, the field office is responsible to determine if the property is considered abandoned. The determination that a property is abandoned requires significant investigation and documentation. At a minimum, the attached checklist documenting your investigation is required on all properties that are suspected of being abandoned.

The checklist of documented activities must be completed within 10 working days of becoming aware of a suspect property. Rural Development must immediately assume management responsibility and take possession of any property determined to be abandoned. The checklist is required, with documentation, and will become a part of the borrower's case file.

/s/ Clare A. Carlson
CLARE A. CARLSON
State Director

EXPIRATION DATE:
June 30, 2003

FILING INSTRUCTIONS:
Following ND Supplement,
Appendix 7, of HB-1-3550

CHECKLIST TO DETERMINE IF A PROPERTY IS CONSIDERED ABANDONED

Borrower Name:

Address:

Account Number:

Is the borrower delinquent on the mortgage payment?

If so, what is the date of last payment and amount delinquent?

Date account accelerated?

Date your office became aware the property had been vacated by the borrower and how you became aware.

Does someone occupy the property other than the borrower?

If so, provide the name of the occupant and a copy of the Rental Agreement.

At a minimum, the following contacts are required to determine the status of the borrower and the property. Detailed documentation is required.

- Neighbors
- Postal Service
- Utility Companies (Electrical, Water, Gas)
- Employers
- Relatives

Check with the Courthouse and list any liens.

Is the property for sale, being marketed and listed with a Realtor?

Attach a copy of the listing agreement. If not listed, provide marketing documentation.

Is someone caretaking the property?

If so, identify the caretaker, their responsibilities and attach a copy of the agreement.

Is the property being well maintained? Describe

Is the property secured? Winterized?

Additional comments:

I certify that I have investigated the possibility of this dwelling being abandoned and have determined this property (is considered/is not considered) abandoned based upon regulations. Complete documentation is attached to support this determination.

Signed _____ Title _____ Date _____